for L.B. Horner

No1 - C of ABC Series

1940/6C.

NEW SOUTH WALES.

BUSINESS STATISTICS - 25th June, 1940.

New National Security measures presage rapid industrial expansion, quickly offsetting effects of the coal stoppage on employment and heavy industries. Building is still active, particularly for residential purposes. Heavy imports cause concern though the trade balance has improved slightly. Domestic trade is maintained and undue consumer demand has not appeared. External trade conditions are affected greatly by the collapse of France.

C O N T E N T S.

PART I Season - Less favourable.

Export Prices and External Trade Conditions -)Europe closed to world trade.)Australian export prices steady. U.K. conditions and the new war effort. U.S.A. business activity increasing.

Currency Relationships. Quotation of French franc suspended and sterling firmer in New York. French credits "frozen" in U.S.A.

Wool - Final 1939-40 appraisements in Sydney. Markets in U.K. and U.S.A.

Wheat - Oversea and local prices steady. European and U.S.A. harvest prospects.

Butter - Conditions unchanged in U.K.

Metals - Sharp movements in tin prices in London.

II Wholesale Trade - Employment: May, 1940. Sales: Apr. & Jan.-Apr. 1940.

Retail Trade - Employment: May, 1940. Sales (Sydney) Apr. & Feb.-Apr., 1940.

Oversea Trade, Australia - May and July-May, 1939-40.

Savings Banks, N.S.W. - Depositors' Balances & No. of Accounts. 31st May, 1940.

III Manufacturing Industries - Employment (N.S.W.): Mid-May, 1940.
- Sales &c. 42 Large Factories: April & Jan.-Apr., 1940.

Building Permits, Sydney: Value and No. of Dwellings: May & Jan-May, 1940.

Motor Vehicles - Sales of New Vehicles: May, 1940.
Total Registrations at 31st May, 1940.

Gas & Electricity - Index of Consumption (Sydney): May, 1940.

Wireless Licenses - Licenses in force at 31st May, 1940.

BUSINESS STATISTICS - 25th June, 1940.

PART I. PRIMARY AND EXPORT INDUSTRIES.

SEASON: Earlier promise of good winter conditions has been nullified by the failure of late autumn and early winter rainfall. There were some isolated heavy falls along the coast and southern tablelands last week but useful rain was confined to parts of the eastern half of the State and of substantial benefit only on the South Coast where the average was nearly an inch.

EXPORT PRICES AND EXTERNAL TRADE CONDITIONS. External trade conditions are affected profoundly by the submission of France. While the British blockade remains effective, practically all Europe is closed to world trade. The United States proposal to resume responsibility for export products of all American countries is a pointer, but until the position of France, the French navy and the French colonies is clarified, the full implications cannot be gauged. For Australia, dependence on the British market is increased and greater industrialisation of the economy is certain. Curtailment of some and expansion of other types of rural products may be necessary, and this will engage the attention of the Australian Agricultural Council on July 1, 1940.

The index number (Commonwealth Bank) of Australian export prices in Australian currency (average 1927 = 100) is 81.7 compared with 66.4 a year ago, and the average of 82.6 for the prosperous years 1936 to 1938.

All Australian wool has been contracted for sale to the British Government for the duration of the war and one year after. Negotiations for disposal of butter to Britain in 1940-41 are in train.

Australian sugar will be sold during 1940 to Britain, Canada and New Zealand at £12.12s.6d. a ton. This is 27s.6d. a ton higher than in 1939 but much of the increase will be offset by higher freight rates. A large crop, second only to that of 1939 (928,000 tons) is expected.

Britain's new war effort is gathering momentum; unemployment in May (831,000) was 92,000 less than in April and 611,000 less than in May, 1939. External trade continued to increase in value. Exports in the five months ended May were £stg.213.7m. in 1940 and £stg.196.4 m. in 1939 and imports, £stg.522.3m. and £stg.366m., respectively. British wholesale prices declined slightly between June 5 and 19 to 95.5 per cent. of the average for 1927 but were then 38 per cent. higher than immediately before the war.

In London the setback in bond prices due to France seeking an armistice has since been recovered but industrial stocks fell heavily and on June 21 the index number was 35 per cent. below the 1940 high point of March 1, 1940. Expectations and plans for tremendous armament activity in the United States have offset the influence of external developments on the New York Exchange.

INTERNATIONAL CURRENCY RELATIONS. No dollar-franc rate of exchange has been quoted in New York since Marshal Petain announced the decision of France to lay down arms but the official sterling-franc rate was still quoted up to June 22, 1940. The open market rate for sterling fluctuated considerably falling from (dollars to £stg.) 3.75 on June 12 to 3.54 on June 20, but recovering to 3.725 on June 22, 1940. On June 18 French credits in the United States (estimated at $1,000 m.) were "frozen" by executive order. The order includes bank deposits, gold, securities, industrial and real estate investments, and even the "Normandie" berthed at New York. In the United States it is believed that steps may be taken shortly by the British Government to abolish the slender free market which remains.

/RATES OF .....

RATES OF EXCHANGE - BRITISH AND UNITED STATES CURRENCIES.

	Average. Aug.1939.	May,1940.	June,1940. 12th.	20th.	22nd.
	Dollars to £stg.				
London on New York (Official)	4.61	4.03	4.03	4.03	4.03
New York on London (Open market.)	4.61	3.28	3.75	3.54	3.725

WOOL. Final appraisements of 1939-40 in Sydney (about 85,000 bales) began on June 18 and will conclude on June 27. The wool submitted includes some autumn shorn wool and this sample suggests another good clip, though not as large as that of 1939-40.

The British Government's undertaking to acquire Australian clips assures disposal of wool when, under existing conditions, marketing would prove impracticable. However for the future it is probable that shipment of much wool will prove impossible, so that enlarged storage facilities will be needed in Australia.

Direct and indirect effects of American armament expansion may mean a substantial demand for wool by the United States, affording some offset to the cutting-off of European absorption. Consumption of wool in the United Kingdom is at a high level and likely to remain so, but due to loss of European export orders, limited supplies of crossbred wool are now available for home civilian trade.

Wool prices compare as under:-

AVERAGE PRICE OF GREASY WOOL IN SYDNEY.

	1926-29.	1931-33.	1937.	1938.	1939.	June 23 1939.	1940.
Pence (Aust.) per lb.	17.2	8.5	16.4	12.7	10.3	10.7	13.4(a)

(a) Agreed price (13.4375d. (Aust.) per lb.) for British purchase; subject to addition of one half profit on resale of wool outside U.K.

WHEAT. Futures quotations have fluctuated moderately on the Chicago and Winnipeg grain exchanges during the past fortnight. The pegged minimum prices, ruling in Chicago from May 18 were removed from June 14, 1940. Prices remain slightly above the former minimum.

Crop reports from Europe indicate a heavy decrease in production, but this is, in present circumstances, of strategic rather than of market significance. In the United States winter wheat production was forecasted at 489 m.b. and spring wheat condition was given as 88 per cent. normal on June 1, 1940.

Early in June 50 million bushels of Canadian wheat was bought by the British Government. The price (not disclosed) was above quotations then ruling.

Wheat acreage in New South Wales is thought to be nearly as great as in 1939-40 (4.6 m. ac.). Rain is needed throughout the wheat belt.

Local trade has been very quiet and no important export orders for wheat or flour have been reported. At present the outlook for further large sales of Australian wheat is not bright. The Wheat Board's fixed prices, per bushel, f.o.r., shipping port, continue at 4s.3d. for bagged wheat and 4s. for bulk wheat for local flour and small export orders. The price of flour sold locally is unchanged at £12.10s. a ton, including tax.

/PRICES OF.....

PRICES OF WHEAT IN NEW SOUTH WALES.

Bulk Wheat.	Season ended Nov.			May		June
	1931-35.	1937.	1939.	1939.	1940.	22, 1940
	Shillings and Pence per bushel.					
Ex trucks, Sydney	2 9½	5 3	2 5	2 7	4 0(b)	4 0(b)
Equivalent, ex farm at country siding (a)	2 2½	4 8	1 9½	1 11½	(c)	(c)

(a) Exclusive of bounty. (b) Prices for sale for local consumption. (c) The first advance gave farmers about 2s.1d. (net) a bushel. A further substantial payment may accrue if the unsold wheat is sold satisfactorily.

BUTTER. Butter production in New South Wales is at a low level - probably about two-thirds that of a year ago. No increase is likely before the spring. Butter is coming in from other States to fill local requirements.

The local wholesale price of butter is 158s.8d. per cwt. (unchanged since June 8, 1938.)

Pay for cream supplied to certain North Coast factories in May,1940 has been fixed at 1s.1d. per lb. of butter made. This is a penny a lb. higher than in May,1939; the increase reflecting mainly the larger proportion of the output sold in the local more remunerative market. The price is exclusive of deferred pay, which may be greater than usual for the six months ended June,1940.

PAY TO SUPPLIERS OF CREAM TO CERTAIN NORTH COAST FACTORIES, N.S.W.

	Jan.	Feb.	Mar.	Apr.	May.	Deferred Pay: Jan.-June.
	Pence per lb. of butter made.					
1933-34	6½	6¾	7	8	9¼	1⅛
1936-37	10	10	11	11½	12¼	1
1937-38(a)	10¾	11¼	12¼	13	13½	1⅝
1938-39(a)	12¼	12½	12½	12¼	12	1.06
1939-40(a)	12½	12⅝	12⅝	12¾	13	...

(a) Cartage charges paid by factories (about ⅜d. per lb.)

It is reported from London that the British public is not absorbing the ration (4oz. per person) and that the position of butter is practically unchanged. It is understood that negotiations are proceeding regarding the purchase by the British Ministry of Food of Australian butter in 1940-41.

PRICES OF BUTTER - EXPORT AND LOCAL.

	Average - Seasons ended June.				At June 22	
	1929-32.	1933-36.	1937-39.	1939.	1939.	1940.
	Shillings (Aust.) per cwt.					
Export Parity	135	88	122	123	127	137(a)
Local Sales	173	134	150	159	159	159

(a) Agreed price for British purchase, 1939-40.

/Metals.....

METALS. The British Ministry of Supply maximum prices are unchanged for electrolytic copper (£62), lead (£25) and spelter (£25 15s.) - sterling, per ton.

In the open market in London the price of tin on June 14 (£stg.290 17s.6d.) was the highest for several years but slumped early last week when the French debacle became known. The fall (to £264 5s. a ton on June 18) brought strong market demand from British consumers and hedging operations against large-scale Far Eastern sales. The closing price on May 21 was above the average for any month since March, 1937.

The price of silver declined slightly toward the close of last week.

From London it is reported that prices paid by the Ministry of Supply for Australian metals may be revised upward.

PRICES OF TIN AND SILVER - LONDON (ENGLISH CURRENCY).

	Aug., 1939.	Apr., 1940.	May., 1940.	June, 1940. 14th.	21st.
Tin (ton)	£229 19s.	£252 5s.	£264 6s.	£290.7s.6d.	£274.10s.
Silver (oz)	1s.5.7d.	1s.8.7d.	1s.9.9d.	1s.11.4d.	1s.10.4d.

Plans for recovery of metals from scrap in Australia are being developed.

/PART II.....

PART II.

FINANCE AND TRADE.

WHOLESALE TRADE. Sales at wholesale in New South Wales (as recorded under Sales Tax Acts) totalled £17.88 million in April and in the four months ended April, 1940, £65.82 m. These amounts were £2.09 m. (13.2%) and £4.47 m. (7.3%) more than in that month and four months of 1939.

Government purchases for war purposes (including direct sales from factories of war materials) and higher prices are important factors in the increase in sales. It appears that sales of ordinary consumption goods have not increased greatly. New motor sales have declined heavily. Taxation, voluntary saving and import control will tend to prevent increasing purchasing power being reflected in inflationary spending.

Employment in wholesale trade showed little change comparing May, 1939 and 1940. From March to May the number employed in wholesale firms with ten or more employees decreased by 231 this year, but increased slightly by 19 in 1939 and by 75 in 1938.

WHOLESALE TRADE - NEW SOUTH WALES.

	Sales by Registered Traders.			Employment with wholesale Firms with Ten or More Employees.	
	Month of April.	Four Months ended April.	Increase over Jan.-Apr. of preceding year.	April.	May.
	£ mill.	£ mill.	Per cent.	Persons	Persons.
1932	10.17	39.13	(-) 2.3	17,638 (June 1933)	
1937	16.45	60.26	19.2	24,534	24,718
1938	16.83	62.54	3.8	25,598	25,354
1939	15.79	61.35	(-) 1.9	25,834	25,701
1940	17.88	65.82	7.3	25,927	25,732

Minus sign (-) denotes decrease.

RETAIL TRADE. Neither trading results nor the course of employment in retail trade in New South Wales show a significant increase in consumer demand, notwithstanding heavy public spending, increased employment and the enlarged national income.

In May, 1940 there was a small decrease (first of the war months) in comparison with a year earlier in the number of persons employed by retail firms with ten or more employees. From Sept.,1939 to May, 1940 the increase was 623 compared with increases of 962, and 1536 in the corresponding periods of 1938-39 and 1937-38, respectively.

EMPLOYMENT IN RETAIL FIRMS WITH TEN OR MORE EMPLOYEES.

	Sept.	Dec.	Jan.	Feb.	Mar.	Apr.	May.
	Increase (persons) over same month of preceding year.						
1938-39	1135	1352	508	1127	590	166	561
1939-40	187	251	1068	556	745	45	(-)152

Employment in these larger shops was greater only in the city in May, 1940 than one and two years earlier. The geographical distribution was as follows:-

/CITY.....

	City.	Suburbs.	Newcastle District.	Country Towns.	Total.
	Persons employed (firms with 10 or more employees).				
May, 1938	36,103	4,071	2,537	8,679	51,390
1939	36,723	4,037	2,551	8,640	51,951
1940	36,920	4,019	2,493	8,367	51,799

In a group of large shops in Sydney sales in April, 1940 were 14.4 per cent. greater in value than in April, 1939, largely due to the three extra trading days in April of this year. In March and April together the value of sales was 3 per cent. greater this year than in 1939. Taking into account higher prices it is doubtful if the physical turnover showed any increase. Increases in value, April 1939 to 1940, were greatest for piece goods (12.2%) men's and boys' wear (9.6%) hardware (7.2%) and books and stationery (5.6%) and there were decreases for boots and shoes and sports and travel goods.

In these city shops the number of employees in April, 1940 was 1½ per cent. greater and the amount of salaries and wages paid was 5.3 per cent. greater than in April, 1939.

OVERSEA TRADE, AUSTRALIA. Exports and imports of merchandise in May, 1940 were each of a record value for May and 46.7 and 29 per cent., respectively, above the value in May, 1939.

The high level of exports is due to better prices, heavier shipments of wool, etc. Merchandise imports in May, though high, were below the average value for the preceding three or four months, and possibly the anticipated end to the rush of ordinary imports may be near. The course of trade during the war months in comparison with a year earlier was as follows (the figures are approximate only):-

	Merchandise Exports (£stg.m.)							Merchandise Imports.(£stg m.)						
	Sept.-Dec.	Jan.	Feb.	Mar.	Apr.	May.	Sept.-May.	Sept-Dec.	Jan.	Feb.	Mar.	Apr.	May.	Sept.-May.
1938-39	37.9	7.2	8.4	9.0	6.8	8.0	77.3	32.6	8.2	8.2	8.7	6.8	8.4	72.9
1939-40	38.0	11.0	11.5	10.0	11.1	11.7	93.3	29.2	11.5	13.9	9.6	12.2	10.8	87.2

In the eleven months ended May, 1940 exports increased in value by £stg.15.56 m. (17.1%) and imports by £stg.14.4m. (15.8%) compared with the corresponding period of 1938-39. Higher prices and delivery of war materials were factors in the increase in imports. There was an export surplus of £stg.979,000 this year and an import surplus of £stg.178,000 last year. The improvement is slight and insufficient to build up oversea funds but may become greater as import restrictions and increased customs duties will probably reduce imports shortly.

Practically all European markets are now cut off from Australian trade. This invests inter-Empire trade with a new importance. It may be difficult to market some primary products (e.g. wheat, barley). Australia's capacity to benefit from the increased opportunities of trade in manufactured goods is limited. Iraq has now been classed as a sterling area.

/OVERSEA TRADE...

OVERSEA TRADE - AUSTRALIA - MERCHANDISE ONLY. ∅

	May,		Eleven Months ended May.				
	1939.	1940x	1936.	1937.	1938.	1939.	1940.x
Merchandise -	Value in £stg. million.						
Exports	7.97	11.69	92.61	109.93	105.00	90.81	106.37
Imports	8.40	10.84	76.90	82.13	102.78	90.99	105.39
Commodity Balance	-.43	.85	15.71	27.80	2.22	-.18	.98

∅ Particulars of bullion and specie movements cannot be published.

x. Preliminary. Minus sign (-) denotes excess of imports.

SAVINGS BANKS. In savings banks in New South Wales withdrawals exceeded deposits in May, 1940 by £1,877,000. The amount on deposit at 31st May, 1940 was £85,179,000 or £918,000 less than a year earlier. The heavy decrease in May was probably, in part, a reaction to war developments. Factors included subscriptions to the war loan (open May 29), purchases of war savings certificates and withdrawals by aliens and on account of the coal strike. This combination of exceptional influences probably limits the significance of the movement.

The increase in the number of open accounts was only 337 in May, 1940 compared with 6,260 in May, 1939 and 7,972 in May, 1938.

Sales of war savings certificates in New South Wales totalled £1,736,244 to June 19, 1940 (including £236,024 between May 16 and June 3.)

SAVINGS BANKS IN NEW SOUTH WALES.

	Depositors' Balances.		Increase in Deposits		Number of Open Savings Accounts.	
	At 30th April.	At 31st May.	In May.	In year ended May.	At 30th April.	At 31st May.
	£000	£000	£000	£000	000	000
1933	70,901	70,686	(-) 215	1,196	Not available.	
1937	79,961	79,979	18	1,070	1,202	1,210
1938	84,211	84,310	99	4,331	1,273	1,281
1939	86,222	86,097	(-) 125	1,787	1,318	1,324
1940	87,056	85,179	(-)1,877	(-)918	1,320	1,321

Minus sign (-) denotes decrease.

/PART III.....

PART III INDUSTRIES.

MANUFACTURING INDUSTRIES. Directly and indirectly the coal strike (March 11 to May 17) was responsible for the decrease in persons employed in factories in New South Wales from 241,300 in March to 235,300 in April and 225,700 in May (middle weeks). Coal is available again now and the rapid increase in factory workers of the earlier war months is likely to be resumed.

INCREASE (+) OR DECREASE (-) IN PERSONS EMPLOYED IN ALL FACTORIES, N.S.W.

	Aug. to Dec.	Dec. to Mar.	Mar. to May.	Aug. to May.
1937-38	+ 8,800	+ 1,100	- 400	+ 9,500
1938-39	+ 1,100	+ 700	- 1,400	+ 400
1939-40	+15,700	+ 900	- 15,600	+ 1,000

The following statement illustrates the quickening effect of war activities upon factory employment. Effects of the coal stoppage were felt most in the big iron and steel works and associated heavy industries. Textile, clothing, chemicals and rubber factories, busy supplying war requirements, suffered little disturbance. Employment in factories connected with the building industry tends to decrease.

EMPLOYMENT IN FACTORIES WITH TEN OR MORE EMPLOYEES, N.S.W.

dle k of -	Lime, Cement etc.	Bricks Glass etc.	Chemicals, etc.	Industrial Metals.	Textile and Cloth'g.	Food and Drink	Wood-working, etc.	Paper and Print'g.	Rubber.
	Number of persons employed - Thousands.								
,1935	1.62	6.06	5.25	43.15	30.77	22.40	8.04	11.86	2.73
1938	3.00	8.32	6.81	64.78	37.47	27.08	10.78	14.78	3.73
1939	2.89	8.82	7.14	61.60	37.03	27.87	10.22	14.77	3.64
"	2.85	8.66	7.24	61.78	36.96	27.96	9.89	14.81	3.68
.,1940	2.75	9.24	8.55	66.30	39.61	31.05	9.95	15.15	4.13
"	2.64	9.11	8.54	63.52	39.30	29.97	9.82	15.11	4.04
"	2.50	8.72	8.24	58.34	39.10	28.62	9.60	15.11	4.16

Probable inability of Australia to secure aircraft and other war equipment from oversea has intensified the drive for rapid expansion of local war industries. Industrial experts with power to command all resources of capital equipment and labour needed are now directing munitions and aircraft production. Anticipated widespread use of charcoal gas in place of petrol will lead to extensive manufacture of gas producer units. Some new industries (aluminium, light metal alloys, etc.) subsidiary to aeroplane manufacture etc. may be established if oversea supplies of materials prove unobtainable. Labour problems (dilution, overtime, traditions etc.) may prove more soluble now that the war policy of the Australian Labour Party conforms virtually to that of the Government.

Products sold from 42 large factories in April and the four months ended April were 28.3 and 13.2 per cent. greater in value in 1940 than in 1939. Advance purchases anticipatory to the increase in rates of sales tax and customs duties (operative from May 3, 1940) and the greater number of working days in April, 1940 were important factors in the large increase in April. The value of sales is shown comparatively in the appended table.

In these large factories there was a decrease of 700 employees in April, 1940 (due to the coal strike) but the number employed was still slightly greater than in April, 1939. Salaries and wages paid amounted to 3.6 per cent. more than in April, 1939.

/MANUFACTURING.....

MANUFACTURING INDUSTRIES - NEW SOUTH WALES.

	All Factories.		Forty-two Large Factories.					
			Month of April.			January to April. (Monthly Average.)		
	May. Employment.							
	Number.	Index No.	Sales.	Employees.	Wages Paid Weekly.	Sales.	Employees.	Wages Paid Weekly.
	1928-29 = 180,756	100	£000	000	£000	£000	000	£000
1932	140,600 ∅	78 ∅	2,019	14.4	52.9	2,055	14.1	52.0
1937	214,600	119	3,106	22.3	84.4	2,930	22.0	82.7
1938	228,800	127	2,979	23.2	92.2	3,117	23.2	93.4
1939	229,400	127	2,791	23.0	93.9	3,001	23.0	95.4
1940	225,700	125	3,581	23.2	97.3	3,456	23.6	100.6

∅ May, 1933.

BUILDING PERMITS - METROPOLIS.

NOTE. These statistics do not include Government Buildings.

Building continues at a relatively high level. Permits in May, 1940 totalled £979,000. City building has decreased greatly but suburban, only slightly. Values for houses and flats about match those of 1939 but non-residential proposals have declined, particularly shops and factories.
Dwellings proposed in May numbered 963 in 1940 and 869 in 1939, and in Jan.-May, 3,647 and 3,842 respectively. House and flat dwellings have increased again recently but flats remain much below numbers in 1938.

The building industry is still active. Private building is below the level of two years ago but as an offset to this a great deal of public building for war purposes has taken place. Permits in Sydney and suburbs in May, 1940 (£979,000) were £49,000 below the value in May, 1939 but above the average monthly value (£795,000) for the six months ended April, 1940. Monthly totals compare as follows:-

	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May.
	Value of proposed buildings (£000)								
1937-38	1,033	963	1,129	1,153	905	899	1,303	1,256	1,292
1938-39	1,110	933	1,324	937	864	999	993	932	1,028
1939-40	800	1,205	797	802	699	755	870	1,041	979

There has been a very marked decrease in building proposals in the city but in the suburbs the value of permits granted continues at a relatively high level. In Jan.-May totals in 1940 were less than in 1938, in the city by 72½ per cent. and in the suburbs by 8 per cent.

BUILDING PERMITS GRANTED IN SYDNEY AND SUBURBS.
(Includes Alterations and Additions. Excludes Govt. Buildings.)

	Month of May.			Five Months ended May.		
	City.	Suburbs.	Total.	City.	Suburbs.	Total.
	£000	£000	£000	£000	£000	£000
1937	328	612	940	722	3,159	3,881
1938	335	957	1,292	1,331	4,323	5,654
1939	162	866	1,028	717	4,098	4,815
1940	79	900	979	367	3,977	4,344

Proposals for houses and flats continue at a high level (in April and May, 1940 the combined totals were greater than a year earlier) and apparently this is due in part to persons seeking security of capital in bricks and mortar, and in part to building of small houses with Government financial aid. Permits for shops (only), factories, garages and social and religious buildings in the five months ended May were approximately 35 per cent. lower in value in 1940 than in 1939:-

Building Permits-Metropolis.		Jan.	Feb.	Mar.	Apr.	May.	Total 5 months.
		£000	£000	£000	£000	£000	£000
Buildings with dwellings	1939	581	739	763	622	752	3,457
	1940	481	642	716	788	826	3,453
Non-residential buildings.	1939	283	260	230	310	276	1,359
	1940.	218	113	154	253	153	891

Permits granted in May emphasise these tendencies. The total for flats (£264,000) was easily highest of the war months and for houses (£536,000) was 20 per cent. above the average for the preceding four months (£445,000). Non-residential buildings (£153,000) were 45 per cent. below the value in May, 1939.

A comparison of values according to class of building is appended. Movements (shown at foot of table) from Jan.-May, 1939 to 1940 reveal a material increase for wooden and fibro houses and substantial decreases in factory buildings, shops and offices, theatres, churches, hospitals, etc.

PRIVATE BUILDING PERMITS GRANTED - SYDNEY AND SUBURBS.

	Houses.		Flats. (a)	Hotels etc.	Shops. (b)	Factories.(c)	Offices Theatres, etc.	Total
	Brick.	Wood etc.						
	£000	£000	£000	£000	£000	£000	£000	£000
-								
1939	389	107	201	40	31	117	143	1,028
1940	381	155	264	14	25	65	75	979
.-May-								
1939	1,748	391	992	252	201	650	581	4,815
1940	1,844	473	827	232	153	353	462	4,344
ement (d)	+5.5%	+21.0%	-16.6%	-7.9%	-25.9%	- 45.7%	-20.5%	- 9.8%

Including (a) conversions to flats (b) shops with dwellings (c) public garages. (d) From Jan.-May, 1939 to 1940.

The future course of building is uncertain. Vigorous prosecution of the war may curtail private activity through the enlistment and transfer to war industries of tradesmen and the reservation of investment funds for war finance. More military camps are proposed, and more factory and other buildings may be needed as munitions, aircraft and other war industries expand.

DWELLINGS. The number of new dwelling units included in permits granted in May was 963 in 1940, 869 in 1939 and 1,174 in 1938. The number in May, 1940 was highest of the war months though still much below the high totals of the middle months of 1938. Dwellings proposed in each month of this year were (successively) 448, 652, 635, 909 and 963 but it is doubtful whether the recent increase is significant of a new upward trend.

/Comparative.....

Comparative particulars for the five months ended May are appended. This year permits provided for 3,647 net additional dwellings; 5 and 23 per cent. less than one and two years previously, mainly due to the marked decrease in flat dwellings:-

PERMITS TO ERECT BUILDINGS CONTAINING DWELLINGS-METROPOLITAN AREA.

Type of Dwelling.	Five Months ended May.				
	1936.	1937.	1938.	1939.	1940.
	Number of Dwellings.				
Houses - Brick, etc.	1,302	1,257	1,915	1,673	1,687
- Wood, Fibro, etc.	317	393	608	709	786
Total - Houses	1,619	1,650	2,523	2,382	2,473
Flats - In New Flat Buildings	1,311	1,203	2,070	1,393	1,128
- In Converted Buildings	161	169	184	106	113
- With Shops, Hotels etc.	78	56	72	79	54
Total - Flats etc.	1,550	1,428	2,326	1,578	1,295
Total Dwellings Proposed.	3,169	3,078	4,849	3,960	3,768
Less Demolitions & Conversions.	136	205	126	118	121
Net Additional Dwellings	3,033	2,873	4,723	3,842	3,647

The annual rate (8,750) of the first five months of 1940 is below actual totals for 1937, 1938 or 1939 but much above those of the depression years.

NUMBER OF DWELLINGS PROPOSED - SYDNEY & SUBURBS.

	Calendar Year.					Jan.-May.	
	1929.	Average 1930-34.	1937.	1938.	1939.	1939.	1940.
dividual Houses	7,095	1,205	4,852	6,342	5,847	2,382	2,473
Flats with Shops etc.	3,097	656	3,900	5,821	4,290	1,578	1,295
Net Total ∅	9,854	1,839	8,490	11,853	9,822	3,842	3,647

∅ After deducting demolitions and conversions.

MOTOR VEHICLES. There were fewer new motor vehicles sold in New South Wales in May, 1940 than in any month for several years, numbers showing decreases in comparison with May, 1938 and 1939 in cars of 64 and 58 per cent. and in lorries and vans of 50 and 32 per cent.

AVERAGE NUMBER OF NEW MOTOR VEHICLES REGISTERED - PER WEEK (N.S.W.) ∅

	Cars, Cabs and Omnibuses.						Lorries and Vans.					
	Dec.	Jan.	Feb.	Mar.	Apr.	May.	Dec.	Jan.	Feb.	Mar.	Apr.	May.
36-37	402	408	456	526	452	523	183	137	159	138	162	187
37-38	534	427	470	505	478	487	222	163	184	177	182	207
38-39	457	325	505	435	393	417	163	117	127	131	130	151
39-40	344	246	333	268	243	176	127	87	110	106	114	103

∅ Exclusive of most military and air force vehicles.

In May 1940 vehicles on the register decreased by 2,310 (cars by 1,677), bringing the total decrease since August, 1939 to 8,061 (cars 4,720; lorries and vans 1,589 and cycles 2,265). Causes of the decrease are higher motor taxation, inspection before re-registration, dearer petrol, tyres and accessories, war reactions and enlistments.

/Petrol.....

Petrol rationing is to begin in August. A campaign to secure widespread use of charcoal gas in place of petrol has opened with promise. This substitution will reduce running costs, conserve foreign balances, utilize undeveloped native resources and provide a means of maintaining road transport in an emergency.

NUMBER OF REGISTERED MOTOR VEHICLES IN NEW SOUTH WALES.

	1933.	1938.	1939.			1940.		
	July.	May.	May.	Aug.	Dec.	Mar.	Apr.	May.
			Thousands.					
ars	148.2	204.1	215.5	216.6	216.6	214.6	213.6	211.9
orries and Vans	42.2	72.5	76.6	77.7	77.5	76.4	76.4	76.1
ll Vehicles	216.5	309.8	327.0	329.2	328.6	324.8	323.5	321.2

GAS AND ELECTRICITY. Domestic consumption of gas and electricity in Sydney was severely restricted between May 10 and 23, 1940 on account of the coal strike. In consequence the index number of monthly sales (which in earlier months was 6 to 7 per cent. higher than a year previously) was the same in May, 1940 as in May, 1939.

Industrial development is the main factor in the increase of from 25 to 30 per cent. in the consumption of gas and electricity during the past ten years. Other factors are the growth of population and wider use of power machinery and appliances in commercial and domestic spheres. In coming months these influences will be reinforced by efforts to expand production of war machines and materials to the utmost.

INDEX OF CONSUMPTION OF GAS AND ELECTRICITY-SYDNEY AND SUBURBS.

	1929.	1932.	1936.	1937.	1938.	1939.	1940.
	Index numbers: Average, 1929-31 = 100.						
Month of May	106	95	110	117	122	128	128
Calendar Year	105	96	112	119	123	131	-

WIRELESS LICENSES in force in New South Wales at 31st May, 1940 totalled 455,162. Licenses increased by 3,900 in each April and May - with one exception the highest monthly increase for almost two years. Increases in May, 1938 and 1939 were 2,750 and 2,300 respectively.

The total in force in the Commonwealth exceeded 1,200,000 during May, 1940; approximately one license to every six persons of population.

Details for New South Wales follow:-

BROADCAST LISTENERS' LICENSES IN FORCE IN NEW SOUTH WALES.
(Including Australian Capital Territory)

	1932.	1934.	1936.	1938.	1939.	1940.
	Number of Licenses - thousands.					
Current at 31st May	138.1	218.3	311.5	400.7	431.1	455.2
Increase in Year ended May	17.5	43.6	34.1	47.8	30.4	24.1